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Amendments to the Claims:

1.   (Currently Amended) A system for performing a two-way one-to-many or many-to-many auction for financial instruments, comprising:

a plurality of auction modules, each being associated with a trader, that receive orders for financial instruments from respective said traders, wherein said orders comprise a price, a quantity, and an action;

an auction mechanism that receives the orders from the auction modules and credit preferences for each trader submitting an order, determines an auction price based on the prices of the received orders, and matches at least a portion of each of the orders at and above said auction price based on said credit preferences of said traders.

2.   (Currently Amended) The system of Claim 1, wherein the auction merchandise generates a transition transaction confirmation for each matched order, and delivers said transaction confirmation to said trader associated with said matched order.

3.   (Original) The system of Claim 1, where said auction mechanism gives relative priority to said order having a higher price than other said orders.

4.   (Original) The system of Claim 1, wherein said action comprises one of a bid and an ask.

5.   (Original) The system of Claim 1, wherein the auction mechanism receives said credit preferences of said traders from said auction modules associated with respective said traders.

6.   (Currently Amended) A computer implemented method for a two-way one-to-many or many-to-many auction of financial instruments, comprising:

receiving orders for a financial instrument and trader credit preference from at least a first trader and a second trader, wherein said orders include a price, a quantity, and an action;

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calculating an auction price based on said prices associated with said orders;

matching <u>at least a portion of each of</u> said orders at and above said auction price based on said credit preferences of said trader associated with said order at and above said auction price;

<u>wherein at least a portion of one of receiving orders, calculating the auction price or matching the orders is computer implemented</u>.

7. (Original) The method of Claim 6, further comprising generating a transaction confirmation for each matched order.

8. (Original) The method of Claim 7, further comprising delivering said translation confirmation to said traders associated with said matched orders.

9. (Original) The method of Claim 6, wherein the step of matching said orders comprising matching said orders with relative priority to said orders at and above said auction price which have a higher price than other said orders.

10. (Original) The method of Claim 6, wherein said step of matching results in transactions for each pair of matched orders at said auction price.

11. (Original) The method of Claim 6, wherein said step of receiving a plurality of orders including an action, includes receiving a plurality of orders, wherein said action is one of a bid and an ask.

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New Claims

12.   (New) The method of Claim 1, wherein the auction mechanism matches orders at the auction price on a pro rata basis.

13.   (New) The method of Claim 6, wherein matching includes matching orders at the auction price on a pro rata basis.